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E-File: October 16, 2009

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Attorneys for Debtors and
Debtors in Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

THE RHODES COMPANIES, LLC, aka
"Rhodes Homes, et al.,¹
Debtors.

Case No.: BK-S-09-14814-LBR
(Jointly Administered)

Chapter 11

Affects:

- ☐ All Debtors
☒ Affects the following Debtor(s):

The Rhodes Companies, LLC 09-14814
LBR

Hearing Date: November 16, 2009
Hearing Time: 9:30 a.m.
Courtroom 1

¹ The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case

**DEBTORS' OBJECTION TO STAFFMARK'S CLAIM PURSUANT TO SECTION
502(b) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 3003 AND 3007
(BOOKS & RECORDS CLAIM); DECLARATION OF PAUL D. HUYGENS IN
SUPPORT THEREOF**

Pursuant to section 502(b) of title 11 of the United States Code (the "Bankruptcy Code") and Rules 3003 and 3007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the above-captioned debtors and debtors in possession (collectively, the "Debtors") hereby object (the "Objection") to the claim of Staffmark (the "Books & Records Claim"), attached to the letter in **Exhibit A**, because the Debtors' books and records do not support the claim, and request the entry of an order (the "Order") reducing the disputed claim as indicated in further detail below.² In support of this Objection, the Debtors rely on the *Declaration of Paul D. Huygens in Support of Debtors' Objection to Staffmark's Claim Pursuant to Section 502(b) of the Bankruptcy Code and Bankruptcy Rules 3003 and 3007 [Books & Records Claim]*. In further support of this Objection, the Debtors respectfully represent as follows:

BACKGROUND

1. On March 31, 2009, the above-captioned Debtors (the "Primary Filers") except Tuscany Golf Country Club, LLC, Pinnacle Grading, LLC, and Rhodes Homes Arizona, LLC (the "Secondary Filers") filed voluntary petitions for relief under chapter 11 of title 11 of the Bankruptcy Code. On April 1, 2009, the Secondary Filers filed voluntary petitions for relief

No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

² The Debtors reserve the right to file additional objections, whether on substantive or non-substantive grounds, to any and all other claims filed against their estates.

under chapter 11 of the Bankruptcy Code. All references to Petition Date herein shall mean March 31, 2009 for the Primary Filers or April 1, 2009 for the Secondary Filers, as applicable. The Debtors are continuing in possession of their property and are operating and managing their businesses, as debtors in possession, pursuant to sections 1107 and 1108 of the Bankruptcy Code.

RELIEF REQUESTED

2. By this Objection, the Debtors seek entry of an order, pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rules 3003 and 3007, reducing the Books & Records Claim from \$2,130.00 to \$978.0.

OBJECTION

3. The Books & Records Claim relates to a claim filed by Staffmark, which provides professional staffing services. The Debtors' books and records are inconsistent with the documentation attached to Staffmark's proof of claim. The Debtors' books and records reflect that Staffmark is owed \$978.00 and not the \$2,130.00 as asserted in their claim. The Debtors sent the claimant a letter requesting that the claimant reduce its claim to avoid an objection being filed. See Exhibit A. As of the date and time of filing of this Objection, no response has been received from Staffmark.

4. Bankruptcy Code section 502 authorizes a party in interest to object to claims. *See* 11 U.S.C. §502(a). Upon such objection, this Court, "after notice and a hearing, shall determine the amount of such claim in lawful currency of the United States as of the date of the filing of the petition" 11 U.S.C. § 502(b). Although a proper proof of claim is presumed valid under Bankruptcy Rule 3001(f), once an objection controverts the presumption, the creditor has the ultimate burden of persuasion as to the validity and amount of the claim. *Ashford v. Consolidated Pioneer Mortg. (In re Consolidated Pioneer Mortg.)*, 178 B.R. 222, 226 (B.A.P. 9th Cir. 1995), *aff'd*, 91 F.3d 151 (9th Cir. 1996) (quoting *In re Allegheny International, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992)). The Bankruptcy Appellate Panel for the Ninth Circuit explained the shifting burdens of proof with respect to objection to proofs of claim as follows:

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The burden of proof for claims brought in the bankruptcy court under 11 U.S.C.A. § 502(a) rests on different parties at different times. Initially, the claimant must allege facts sufficient to support the claim. If the averments in his filed claim meet this standard of sufficiency, it is “prima facie” valid. In other words, a claim that alleges facts sufficient to support a legal liability to the claimant satisfies the claimant’s initial obligation to go forward. . . . The burden of persuasion is always on the claimant.

Id. (emphasis added). Following this decision, the District Court for the Northern District of California emphasized, “unless the claimant has alleged ‘facts sufficient to support a legal liability, ‘the claim is not prima facie valid.’” *In re Hongnisto*, 293 B.R. 45, 50 (N.D. Cal. 2003) (quoting *Consolidated Pioneer Mortg.*, 178 B.R. at 266) (holding that the claimant’s proof of claim failed to allege sufficient facts to support a legal liability and consequently disallowed the proof of claim); *see Consolidated Pioneer Mortg.*, 178 B.R. at 227 (holding that because the proof of claim did not allege sufficient facts to support the claim, the proof of claim was disallowed).

5. Based on the Debtors’ review of their books and records and the proof of claim filed by the claimant, and the claimant’s lack of response to the Debtors’ request to reduce the claim, the Debtors submit that this Books & Records Claim should be reduced by the Court as follows: Claim No. 7 filed in Case No. 09-14814 against the Rhodes Companies, LLC from \$2,130.00 to \$978.00.

CONCLUSION

6. The Debtors object to the allowance of the Books & Records Claim as set forth herein for the reasons stated herein, and the Debtors hereby move this Court for an Order reducing the Books & Records Claim as indentified in the proof of claim attached to the letter in **Exhibit A.**

NOTICE

7. No trustee or examiner has been appointed in these chapter 11 cases. Notice of this objection has been provided to (i) the United States Trustee for the District of Nevada, (ii) counsel to the Creditors' Committee, (iii) the claimant for which the Debtors are objecting to the claim in this Objection in accordance with the address provided in the proof of claim for such Books & Records Claim, (iv) each person or entity that has filed a notice of appearance and request for special notice, and (v) other required parties pursuant to the Court's case management order entered in these cases. The Debtors submit that in light of the nature of the relief requested herein, no other or further notice is required.

8. Pursuant to Bankruptcy Rule 3007, the Debtors have provided the claimant affected by the Objection with at least thirty (30) days' notice of the hearing on the Objection.

WHEREFORE, the Debtors respectfully request that the Court enter an Order, substantially in the form attached hereto as **Exhibit B**, reducing the Books & Records Claim attached as part of **Exhibit A** hereto, and granting such other and further relief as the Court deems just and proper under the circumstances of these chapter 11 cases.

DATED this 16th day of October, 2009.

LARSON & STEPHENS

/s/ Zachariah Larson, Esq.
 Zachariah Larson, Bar No. 7787
 Kyle O. Stephens, Bar No. 7928
 810 S. Casino Center Blvd., Suite 104
 Las Vegas, NV 89101
 702/382-1170
 Attorneys for Debtors and Debtors in
 Possession

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**DECLARATION OF PAUL D. HUYGENS IN SUPPORT OF DEBTORS' OBJECTION
TO STAFFMARK'S CLAIM [BOOKS & RECORDS CLAIM]**

I, Paul D. Huygens, declare as follows:

1. I am the Senior Vice President of Special Projects of the above-captioned Debtors and Debtors in possession. The facts set forth in this Declaration are personally known to me and, if called as a witness, I could and would testify thereto.

2. This declaration is submitted in support of the *Debtors' Objection to Staffmark's Claim Pursuant to Section 502(b) of the Bankruptcy Code and Bankruptcy Rules 3003 and 3007 [Books & Records Claim]* (the "Objection").

3. I am one of the persons responsible for overseeing the claims reconciliation and objection process in the Debtors' chapter 11 cases. I have read the Debtors' Objection and am directly, or by and through my personnel or agents, familiar with the information contained therein, the proposed form of order (the "Proposed Order") and the exhibits attached thereto.

4. The claim and attached information and documentation were carefully reviewed and analyzed in good faith, and the Debtors' books and records were referenced for additional support, utilizing due diligence by appropriate personnel of the Debtors. These efforts have resulted in the identification of the disputed "Books & Records Claim", identified in the proof of claim attached to the letter in **Exhibit A**. I have personally reviewed the Books & Records Claim.

5. The Books & Records Claim relates to professional staffing services provided by the claimant to the Debtors. The Debtors' books and records do not support the documentation attached to Staffmark's proof of claim. As a result, I believe the Books & Records Claim should be reduced to \$978.00 as reflected in the Debtors' books and records. The Debtors sent the claimant a letter requesting that the claimant reduce its claim to avoid an objection being filed. See Exhibit A. As of the date and time of filing of this Objection, no response has been received from Staffmark.

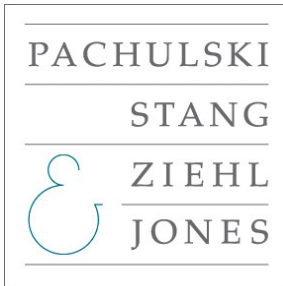
LARSON & STEPHENS
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Las Vegas, Nevada 89101
Tel: (702) 382-1170 Fax: (702) 382-1169

Paul D. Huygens

EXHIBIT A

LARSON & STEPHENS
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Las Vegas, Nevada 89101
Tel: (702) 382-1170 Fax: (702) 382-1169

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September 18, 2009

VIA U.S. FIRST CLASS MAILLAW OFFICES
LIMITED LIABILITY PARTNERSHIPSAN FRANCISCO, CA
LOS ANGELES, CA
WILMINGTON, DE
NEW YORK, NY150 CALIFORNIA STREET
15th FLOOR
SAN FRANCISCO
CALIFORNIA 94111-4500

TELEPHONE: 415/263 7000

FACSIMILE: 415/263 7010

Staffmark
Attn: Terri Ayers
435 Elm Street, Suite 300
Cincinnati, OH 45202**Re: The Rhodes Companies, et al.
Chapter 11 Case No. 09-14814
(Jointly Administered)**

Dear Ms. Ayers:

This firm represents The Rhodes Companies, LLC (the "Debtor") in its Chapter 11 bankruptcy filed in the United States Bankruptcy Court for the District of Nevada (Case No. 09-14814 LBR). You filed a proof of claim on behalf of Staffmark, designated as proof of claim number 7 in the amount of \$2,130.00 in the Debtor's bankruptcy case.

Upon review and reconciliation of the invoices attached to your claim, the Debtor shows the following invoices as paid:

Invoice No.	Amount	Check No.	Date of Payment
Inv # 118785	\$960.00	18131	4/30/09
Inv # 0001091792	\$192.00	18098	4/23/09
Total Paid	\$1,152.00		

Therefore, the Debtor believes the outstanding balance of your claim to be as follows:

\$2,130.00	Claim Amount
<u>-\$1,152.00</u>	Less Payments

\$ 978.00	Balance of claim remaining
-----------	----------------------------

LOS ANGELES10100 SANTA MONICA BLVD.
11th FLOOR
LOS ANGELES
CALIFORNIA 90067-4100

TELEPHONE: 310/277 6910

FACSIMILE: 310/201 0760

DELAWARE919 NORTH MARKET STREET
17th FLOOR
P.O. BOX 8705
WILMINGTON
DELAWARE 19899-8705

TELEPHONE: 302/652 4100

FACSIMILE: 302/652 4400

NEW YORK788 THIRD AVENUE
36th FLOOR
NEW YORK
NEW YORK 10017-2024

TELEPHONE: 212/561 7700

FACSIMILE: 212/561 7777



LAW OFFICES

Ms. Terri Ayres
September 18, 2009
Page 2

Based upon the above reconciliation, please amend your Claim to the amount of \$978.00 by signing and returning the enclosed Notice of Amended Claim form by October 9, 2009 so that we may avoid having to object to your claim in the Bankruptcy Court. Thank you.

Very truly yours,

/s/
Patricia J. Jeffries

PJJ
Enclosure
cc: Michael A. Matteo

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:	Case No.: BK-S-09-14814-LBR
THE RHODES COMPANIES, LLC,	Chapter 11
Debtor.	

NOTICE OF AMENDED PROOF OF CLAIM NO. 7

STAFFMARK hereby amends its proof of claim, designated as Claim No. 7 filed in the above-captioned case, in the amount of \$2,120.00 to a claim in the amount of \$978.00.

Dated: _____, 2009

_____	(signature)	
By:		(print name)
Its:		(title)

FORM B10 (Official Form 10) (4/01)

UNITED STATES BANKRUPTCY COURT		DISTRICT OF <u>Nevada</u>	PROOF OF CLAIM
Name of Debtor <u>Rhodes Homes</u>		Case Number <u>09-14814-1br</u>	<div style="font-size: 2em; transform: rotate(-45deg); opacity: 0.5;">X</div> <div style="text-align: left; margin-top: 10px;"> APR 23 1 52 PM '09 FILED U.S. BANKRUPTCY COURT DISTRICT OF NEVADA </div>
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.			
Name of Creditor (The person or other entity to whom the debtor owes money or property): <u>Staffmark</u>		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Name and address where notices should be sent: <u>ATTN: Terri Ayers</u> <u>435 Elm St. Ste 300</u> <u>Cincinnati, OH 45202</u> Telephone number: <u>513-859-4650</u>			
Account or other number by which creditor identifies debtor: <u>118785</u>		Check here if this claim <input type="checkbox"/> replaces a previously filed claim, dated: _____ <input type="checkbox"/> amends	
1. Basis for Claim <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____			
<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid compensation for services performed from _____ (date) to _____ (date)			
2. Date debt was incurred:		3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ <u>2130.00</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,650)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). <small>*Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			THIS SPACE IS FOR COURT USE ONLY <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 100px;"> FILED APR 30 2009 </div> By <u>Omni Management Group, Claims Agent</u> For U.S. Bankruptcy Court District of Nevada
Date <u>4/21/09</u>	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>TERRI AYERS CREDIT ANALYST</u>		
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.			

Item List | **Advanced Search**

SetID: Unit: Customer: Rhodes Homes *Level:

*Status:

Row Selection					Item Action				
Range: <input type="text"/> <input type="button" value="GO"/> <input type="button" value="Select All"/> <input type="button" value="Deselect All"/>					Select Action... <input type="button" value="GO"/>				

Item List													Customize Find View All		First 1-3 of 3 Last	
Detail 1			Detail 2		Detail 3		Detail 4		Detail 5		Detail 6					
Seq Nbr		Item	Line	Activities	Unit	Customer ID	Status	Terms	Entry Type	Entry Reason	Due	Days Late	Item Balance	Cu		
1	<input type="checkbox"/>	<u>0001086317</u>			1 10000	118785	Open	IMMED IN			03/26/2009	26	978.00	US		
2	<input type="checkbox"/>	<u>0001089112</u>			1 10000	118785	Open	IMMED IN			04/02/2009	19	960.00	US		
3	<input type="checkbox"/>	<u>0001091792</u>			1 10000	118785	Open	IMMED IN			04/09/2009	12	192.00	US		

Search Result Totals									
Debits:	3	Debit Amount:	2,130.00	Currency:	USD				
Credits:		Credit Amount:		Currency:	USD				
Total:	3	Total Amount:	2,130.00	Currency:	USD				
Selected:				Selected Currency:					

Item List | [Advanced Search](#)

FORM B10 (Official Form 10) (4/01)

UNITED STATES BANKRUPTCY COURT		DISTRICT OF <u>Nevada</u>	PROOF OF CLAIM
Name of Debtor <u>Rhodes Homes</u>		Case Number <u>09-14814-1br</u>	<div style="font-size: 2em; transform: rotate(-45deg); opacity: 0.5;">X</div> <div style="text-align: left;"> <p>APR 23 1 52 PM '09</p> <p>U.S. BANKRUPTCY COURT NORTH DISTRICT OF CALIFORNIA</p> </div>
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.			
Name of Creditor (The person or other entity to whom the debtor owes money or property): <u>Staffmark</u>		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Name and address where notices should be sent: <u>ATTN: Terri Ayers</u> <u>435 Elm St. Ste 300</u> <u>Cincinnati, OH 45202</u> Telephone number: <u>513.859.4650</u>		THIS SPACE IS FOR COURT USE ONLY	
Account or other number by which creditor identifies debtor: <u>118785</u>		Check here if this claim <input type="checkbox"/> replaces a previously filed claim, dated: _____ <input type="checkbox"/> amends	
1. Basis for Claim <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____ </div> <div style="width: 50%;"> <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: _____ Unpaid compensation for services performed from _____ to _____ <div style="text-align: center;">(date) (date)</div> </div> </div>			
2. Date debt was incurred:		3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ <u>2130.00</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,650),* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). <small>*Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			THIS SPACE IS FOR COURT USE ONLY
Date <u>4/21/09</u>	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>TERRI AYERS CREDIT ANALYST</u>		

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

COPY

EXHIBIT B

LARSON & STEPHENS
810 S. Casino Center Blvd., Suite 104
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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

THE RHODES COMPANIES, LLC, aka
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Debtors.

Case No.: BK-S-09-14814-LBR
 (Jointly Administered)

Chapter 11

Affects:

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 Hearing Time: 9:30 a.m.
 Courtroom 1

¹ The Debtors in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, A Nevada Limited Partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C & J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, L.L.C. (Case No. 09-14882); Tuscany Golf Country Club, LLC (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

**ORDER SUSTAINING DEBTORS' OBJECTION TO STAFFMARK'S CLAIM
PURSUANT TO SECTION 502(b) OF THE BANKRUPTCY CODE AND
BANKRUPTCY RULES 3003 AND 3007 [BOOKS & RECORDS CLAIM]
[DOCKET NO. ____]**

Upon consideration of *Debtors' Objection to Staffmark's Claim Pursuant to Section 502(b) of the Bankruptcy Code and Bankruptcy Rules 3003 and 3007 [Books & Records Claim]* [Docket No. ____] (the "Objection"),² filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"), requesting that the Court enter an order reducing the disputed claim; and the Court having jurisdiction to consider the Objection and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having reviewed the Objection; the Court hereby finds and determines that, pursuant to Rule 3007 of the Federal Rules of Bankruptcy Procedure, due and proper notice has been provided to the holder of the claim attached to the letter in Exhibit A to the Objection and all other parties entitled to notice; and no other or further notice is necessary; and the relief requested in the Objection is in the best interests of the Debtors, their estates and creditors; and that the legal and factual bases set forth in the Objection establishes just cause for the relief requested therein; therefore

IT IS HEREBY ORDERED THAT:

1. Claim number 7 of Staffmark in the amount of \$2,130.00, filed against The Rhodes Companies, LLC, is hereby reduced a claim in the amount of \$978.00.
2. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Objection.

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1 APPROVED/DISAPPROVED:

2 DATED this ___th day of November, 2009.

3 By: _____
4 UNITED STATES TRUSTEE
5 August B. Landis
6 Office of the United States Trustee
300 Las Vegas Blvd. S., Ste. 4300
Las Vegas, NV 89101

7 Submitted by:

8 DATED this 16th day of November, 2009.

9
10 By: /s/ Zachariah Larson
11 LARSON & STEPHENS
12 Zachariah Larson, Esq. (NV Bar No 7787)
13 Kyle O. Stephens, Esq. (NV Bar No. 7928)
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LR 9021 Certification

In accordance with LR 9021, counsel submitting this document certifies as follows (check one):

☐ The court has waived the requirement of approval under LR 9021.

☐ No parties appeared or filed written objections, and there is no trustee appointed in the case.

☐ I have delivered a copy of this proposed order to all counsel who appeared at the hearing, any unrepresented parties who appeared at the hearing, and any trustee appointed in this case, and each has approved or disapproved the order, or failed to respond, as indicated below.

Submitted by:

DATED this 16th day of November 2009.

By: /s/ Zachariah Larson

LARSON & STEPHENS

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